

KOUKAMMA MUNICIPALITY



ANNUAL PERFORMANCE REPORT

2016/2017

1. INTRODUCTION

In terms of Section 46 of the Municipal Systems Act No. 32 of 2000, the accounting officer must prepare an annual report reflecting the performance of the Municipality in comparison with the set targets every financial year.

2. PURPOSE

The Municipal Finance Management Act 56 of 2003, Circular 11 outlines the purpose of the annual report as follows;

- (a) to provide a record of the activities of the municipality or municipal entity
- (b) to provide a report on performance in service delivery and budget implementation; and
- (c) to promote accountability to the local community for the decisions made during the financial year by the municipality or municipal entity.

This report will give an indication of the performance of Koukamma Municipality for the financial year based on the predetermined objectives as set out in the Integrated Development Plan (IDP) in conjunction to the approved budget. The Predetermined objectives are converted into actual indicators and targets in the form of a Service Delivery Budget Implementation Plan (SDBIP).

3. LEGISLATIVE REQUIREMENTS

Municipal Systems Act, 32 of 2000

Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006

Municipal Finance Management Act, 56 of 2003

Municipal Finance Management Act, Circular No. 13

Municipal Finance Management Act, Circular No. 11

Municipal Planning and Performance Management Regulations, 2001

4. ANNUAL PERFORMANCE REPORT PER KPA

A Service Delivery and Budget Implementation Plan is developed annually to give effect to the projects under the predetermined objectives as per the Integrated Development Plan for that financial year.

The SDBIP contains Objectives, Strategies, Indicators, realistic targets and budget information for each Key Performance Area of the municipality.

Targets are broken down throughout the financial year and spread over four quarters, which is reported on in the quarterly performance reports as per section 52 of the MFMA.

Each directorate is responsible for reporting on the progress of targets set quarterly. At the end of the financial year reports on annual achievements based on the annual targets set are consolidated and form the basis of the Annual Performance Report.

The municipality is also able to monitor expenditure on the projects that are implemented by comparing the progress on projects to the expenditure reports on these projects.

The Annual Performance Report clearly indicates Indicators that have met their Targets in Green, Indicators in progress but is not yet on target in Yellow, and indicators that have not started as indicated in Red. An analysis on the performance of each KPA and for the organisation is provided based on the information supplied by each directorate.

Also included in the Annual Performance Report is an overview of MIG expenditure for the financial year and an update on municipal performance highlights on the Provincial Key Performance Indicators, as annexure 1.

5. SDBIP ANNUAL PROGRESS REPORT

KPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Number of projects = 12

Number of projects On Target/Completed = 3

Number of projects in Progress = 7

Number of projects Lagging/Not started = 2

Percentage on Target = 25%

Municipal Transformation and Institutional Development have achieved a 25% on target/complete projects. The majority of the projects have not achieved the target as set, but are in progress.

	Objective	Strategy	KPI	2016/17 R's	Actual Expenditure	Annual Target (2016/17)	Actual & reason for variance	State if Project is Complete, On Target, Lagging or Not Started	State Brief Plan of Action to address Projects Lagging and Not Started
MT01	Implementation of the Occupational Health and Safety Act	Implementation of the employee wellness programme	Conduct a number of Employee Wellness programmes	N/A		4 Employee Wellness programmes	2 wellness programmes held	In Progress	Will be implemented with the budget in the new financial year
MT02	Implementation of the Employment Equity Act	Implementation of the Employment Equity Plan	Implement a percentage of the numerical goals in the Employment Equity Plan	N/A		80% of Numerical goals in the Employment Equity Plan achieved	50% achieved.	In Progress	Employment will take place in the 1st Quarter 2017/18
MT03	Councillor development for councillors	Facilitation of skills development and training of Councillors	Facilitate a number of Training Programmes for Councillors	N/A		Facilitation of 4 Training Programmes for Councillors	2 Training Programmes attended	In Progress	Training to take place in August 2017
MT04	Implementation of the Skills Development Act	Implementation of Workplace skills plan	Implement a percentage of fully funded Training Implementation Plan	N/A		100% of the fully funded Training Plan implemented	Only 50% of the fully funded training plan was implemented because of budget	In Progress	Training will take place on the new financial year

MT05	Review of the Organogram in compliance with the Municipal Systems Act	Implementation of the HR Plan	Percentage of approved and budgeted post in the HR plan filled	N/A		100% of the approved and budgeted post in the HR plan filled	Council moratorium on filling of vacant posts	Not Achieved	upliftment of the council moratorium on filling of vacant positions
MT06	Effective functioning of Council meeting for the 2016/17 Financial Year	Improve oversight function of Council	Conduct a number of Council Meetings	N/A		4 Seated Council Meetings	5 Ordinary Council meetings held and 10 Special Council Meetings held for 2016/2017	On Target	
MT07		Effective functioning of Standing Committees for the 2016/17 Financial Year	Conduct a number of Standing Committee Meetings	N/A		20 seated Standing Committee meetings per financial year	21 Seated standing committee meeting held for 2016/17	On Target	
MT08	Effective functioning of the Risk Management Committee in the 2016/17 Financial Year	Improve the role of the Risk Management Committee	Conduct a number of Risk Management meetings	N/A		4 Risk Management meetings	2 Risk committee meetings held. 14/12/17 and 07/06/17	In Progress	Meetings to be facilitated according to Meeting Calender in 2017/18, where 1 meeting is expected to take place per quarter.

MT09	Improvement of working conditions and labour peace as per the BCEA and LRA	Implementation of the Collective Agreement and ORA	Conduct a number of LLF meetings	N/A		4 LLF meetings	1 LLF meeting held for 2016/17 FY due to the LLF not being in place as the Union did not want to be part of the LLF.	In Progress	Local Labour Forum in place and is operational.
MT10	Integration of ICT Systems in the 2016/17 Financial Year	Implementation of 5 Year ICT Roadmap	Seamless Integration of Promun and Sage VIP Systems	N/A		Integrated ICT Systems (Promun and VIP Payroll)	Lack of Budget	Not Achieved	Procure service providers for Integration of Financial(Promun) and Payroll(VIP) Systems
MT11	Improve Information Security	Implementation of the ICT Governance Framework and Security Policy directives	A number of ICT security Policies adopted by Council	N/A		Adoption of 1 ICT Security Policy	ICT Security Policy adopted	On Target	
MT12	Improve ICT governance		Conduct a number of ICT Steering Committee Meetings	N/A		Conduct 4 ICT Steering Committee Meetings	ICT Committee sat on the 30/11/16 and 07/06/17	In Progress	

KPA 2 - BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT (TECHNICAL SERVICES)
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Number of projects = 23

Number of projects On Target/Completed = 10

Number of Projects in Progress = 6

Number of projects Lagging/Not started = 7

Percentage on Target = 43.48%

Percentage of projects in progress = 26.09%

Percentage of projects lagging = 30.43%

Total Budget versus Expenditure:

Budget	Expenditure	Expenditure %
R78 438 337,56	R15 099 108,59	19.25%

Technical Services have achieved a 43.48% on target/complete projects. The total budget for projects in Technical Services is R78 438 337,56 and the total expenditure thus far is R15 099 108,59. Out of the 23 projects 6 are in progress and 7 have not started. The delay in projects lagging/ not started is due to various reasons namely:

Roads: Delay in the preparation of surface beds. Late appointment of contractor for TS11. Most of the projects under roads have been concluded in the second quarter; hence comments are not applicable for this quarter. Budget for these projects are handled through Sanral.

Housing: Department of Human Settlement ran out of funds, hence the project has been committed for the 2017/2018 FY. The allocation of R 25 016 128.58 is included in the Budget as indicated above.

	Objective	Strategy	KPI	2016/17 R's	Actual Expenditure	Percentage Expenditure	Annual Target (2016/17)	Actual & reason for variance	State if Project is Complete, On Target, Lagging or Not Started	State Brief Plan of Action to address Projects Lagging and Not Started
TS01	Provision of bulk water supply	Replacement of the pressure tank in Coldstream	Percentage of completion with the Replacement of the pressure tank in Coldstream	R 2 956 767.98	R 2 956 767.98	100%	100% complete with the Replacement of the pressure tank in Coldstream	Project Complete	On Target	
TS02		Replacement of the low pressure water mains in Stormsriver	Percentage of completion of the replacement of the Low pressure water mains in Stormsriver	R6 017 000	R 3 332 300.10	55%	100% complete with the Replacement of the low pressure water mains in Stormsriver	Procurement was delayed because of MIG trenches that were changed by Cogta	In Progress	Project is 60% complete, 50% meters installed, 50% laying of pipes complete, project to be complete end August 2017
TS03		Refurbishment of the Louterwater WTW	Percentage of completion of the refurbishment of the Louterwater WTW	R10 348 120	R 1 865 041	17%	100% complete with the Refurbishment of the Louterwater WTW	Procurement was delayed because of MIG trenches that were changed by Cogta	Lagging	Works is 20% complete, existing services are exposed and bulk of excavation for reservoir platform complete project to be complete by end September 2017

TS04	Upgrading of the Misgund Bulk water supply	Percentage of completion of the construction of the reservoir water treatment plant	R 11 520 441	R 0	0%	100% complete with the Construction of Reservoir, water treatment plant, drilling and commissioning of boreholes	Implementation has not commenced yet	Lagging	Implementation agent still busy with EIA
TS05	Refurbishment of the Bulk water infrastructure in Coldstream	Percentage of completion with the refurbishment of the bulk water infrastructure in Coldstream	R1 245 865	R 0	0%	100% complete with the refurbishment of the bulk water infrastructure in Coldstream	Procurement was delayed because of MIG trenches that were changed by Cogta	In Progress	Project is 10% complete, temporary water supply provided, reservoir emptied, construction of columns at the reservoir is estimated to be complete in end July 2017 and repairs of mechanical works at the plant to be completed and August 2017.
TS06	Improvement of water management system	Percentage of the installation of the water management system	R 30 000 000	R 0	0%	100% installation of water management system	Submitted business plans to Cogta, DWS and OTP	Lagging	Still waiting for feedback from different sector departments

TS07	Rehabilitation of Waste Water Treatment Works	Rehabilitation of the WWTW at Laurel Ridge	Percentage of completion with the rehabilitation of the WWTW in Laurel Ridge	R 2 145 000	R 2 145 000	100%	100% Complete with the rehabilitation of the WWTW in Laurel Ridge	100% Completed in Quarter 3	On Target	
TS08		Rehabilitation of the Louterwater WWTW Phase 2	Percentage of completion with the rehabilitation of the Louterwater WWTW Phase 2	R 2 500 000	R 2 500 000	100%	100% complete with the rehabilitation of the Louterwater WWTW Phase 2	100% Completed in Quarter 3	On Target	
TS09	Upgrade of Municipal internal Roads	Upgrading of Municipal internal Roads	Number of kilometres of roads resurfaced in Kareedouw	Sanral	R 0	0%	Complete the resurfacing of 2.4km roads in Kareedouw	Project completed in quarter 2	On Target	
TS10			Number of kilometres of roads resurfaced in Joubertina	Sanral	R 0	0%	Complete the resurfacing of 3.2km roads in Joubertina	Project completed in quarter 2	On Target	
TS11			Number of kilometres of roads resurfaced in Clarkson	Sanral	R 0	0%	Complete the resurfacing of 3.8 km of road in Clarkson	Should have been completed in Quarter 3. Busy with concrete drains	In Progress	Project estimated to complete by September 2017

TS12			Number of kilometres of roads resurfaced in Coldstream	Sanral	R 0	0%	Complete the resurfacing of 0.7 km of roads in Coldstream	Should have been completed by Quarter 2. Setting out is complete	In Progress	Project estimated to complete by September 2017
TS13			Number of kilometres of roads resurfaced in Mandela Park	Sanral	R 0	0%	Complete the resurfacing of 0.5km of road in Mandela Park	Should have been completed by Quarter 2. All roads are at G5 level (layer before surfacing)	In Progress	Project estimated to complete by September 2017
TS14			Number of meters of roads paved in Stormriver	R 1 000 000	R 0	0%	600m paved in Stormriver	Project is on hold due to financial constraints of the DRPW	Lagging	Project is on hold due to financial constraints
TS15	Paving of Municipal Internal Roads	Paving of internal roads	Number of meters of roads paved in Woodlands	R 1 000 000	R 1 000 000	100%	850m paved in Woodlands	Completed in Quarter 2	On Target	
TS16			Number of meters of roads paved in Louterwater	R 1 000 000	R 0	0%	800m paved in Louterwater	no-funds	Lagging	Applied for funding to the DRPW
TS17	Upgrade of Disaster Flood Relief Roads	Upgrading of Disaster Flood Relief Roads	Percentage of completion of the Disaster Flood Relief upgrades	R11 000 000	R 0	0%	100% complete with the Disaster Flood Relief upgrades	Project is on hold due to financial constraints of the DRPW	Lagging	Project is on hold due to financial constraints of the DRPW

TS18	Adoption of the water Service Master Plan	Water Service Master plan	N/A	N/A	N/A	Adoption of the Water Service Master Plan	N/A	Adoption of the Water Service Master Plan	Adopted end May 2017	On Target	
TS19	Adoption of the Water Service Development Plan		N/A	N/A	N/A	Adoption of the WSDP	N/A	Adoption of the WSDP	Adopted end May 2017	On Target	
TS20	Adoption of the Water Conservation and Demand Management Strategy		N/A	N/A	N/A	Adoption of the Water Conservation and Demand Management Strategy	N/A	Adoption of the Water Conservation and Demand Management Strategy	Adopted end May 2017	On Target	
TS21	Compliance to the National Housing Act	Implementation of the Housing Destitute Programme	R 25 016 128.58	R 0	0%	Number of Destitute houses provided	166 Destitute houses provided	166 Destitute houses provided	Project to be implemented in the 17/18FY	Not Started	DoHS as the implementation agent had financial constraints, therefore was budgeted for in the 2017/18FY
TS22	Compliance with the National Rectification Programme	Implementation of the Housing Total Rectification Programme	PENDING	R 0	0%	Rectification of a percentage of the approved and funded houses	100% rectification of the approved and funded houses	100% rectification of the approved and funded houses	Project to be implemented in the 17/18FY	Not Started	DoHS as the implementation agent had financial constraints, therefore was budgeted for in the 2017/18FY

TS23	Provision of Electricity in Komasbos	Electrification of houses in Koomasbos	Provide electricity for a number of houses in Koomansbos	R 1 300 000	R 1 300 000	100%	Provide electricity for 66 houses in Koomansbos	66 houses provided with electricity in quarter 3.	On Target	
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KPA 2 - Basic Service Delivery and Infrastructure Investment (Community Services)

Number of projects = 15

Number of projects On Target/Completed = 6

Number of projects Lagging/Not started = 9

Percentage on Target = 40%

Percentage of projects lagging = 60%

Total Budget versus Expenditure:

<u>Budget</u>	<u>Expenditure</u>	<u>Expenditure %</u>
R22 450 000	R2 508 744	11.17%

Community Services have achieved a 40% on target/complete projects. The total budget for projects in Community Services is R 22 450 000 and the total expenditure thus far is R 2 508 744 Out of the 15 projects 9 have not started. The delay in projects lagging/ not started is due to various reasons namely:

Transfer stations, Landfill sites and Sport fields: Funding constraint. It is anticipated that these projects will commence only in the 2017/2018 FY

	Objective	Strategy	KPI	2016/17 R's	Actual Expenditure	Percentage Expenditure	Annual Target (2016/17)	Actual & reason for variance	State if Project is Complete, On Target, Lagging or Not Started	State Brief Plan of Action to address Projects Lagging and Not Started
CS01	Provision of Satellite Fire Station	Provision of a satellite fire station in Kareedouw	Provision of a number of satellite fire stations in Kareedouw	R 250 000	R 0	0%	1 Satellite Fire Station in Kareedouw		Lagging	Project has been moved to the next FY due to funding delays from SBDM
CS02		Provision of a satellite fire station in Joubertina	Provision of a number of satellite fire stations in Joubertina	R 250 000	R 0	0%	1 Satellite Fire Station in Joubertina		Lagging	Project has been moved to the next FY due to funding delays from SBDM
CS03	Effective Rendering of Library Services	Completion of the Kareedouw Library	Percentage of completion of the construction of the Kareedouw Library	R 5 900 000	Payments made by DSRAC	0%	100% complete the Kareedouw library construction	Should have been completed in quarter 2. Construction was completed in Quarter 3.	On Target	
CS04		Conversion of the Ravinia Resource Centre into a Library facility	Complete a percentage of the construction of the Ravinia Library	R 75 000	R 42 500	56.7%	100% complete the Ravinia library construction	100% Complete with construction in quarter 4	On Target	

CS05		Upgrading of the Library facility in Clarkson	Percentage of completion of the extension of Clarkson Library	R 75 000	R 0	0%	100% Complete with the extension of the Clarkson library by 12m ²	Project not started due to financial Constraints	Lagging	Project has been placed in the IDP for 2017/18 in order to source funding for the establishment of a Transfer station.
CS06	Establish Transfer Stations as per the IWMP	Establish a transfer station in Louterwater	Establish a number of Transfer Stations in Louterwater	R 5 000 000	R 0	0%	Establish 1 Transfer Station in Louterwater	Project not started due to financial Constraints	Lagging	Project has been placed in the IDP for 2017/18 in order to source funding for the establishment of a Transfer station.
CS07		Establish a transfer station in Coldstream	Establish a number of Transfer Stations in Coldstream	R 5 000 000	R 0	0%	Establish 1 Transfer Station in Coldstream	Project not started due to financial Constraints	Lagging	Project has been placed in the IDP for 2017/18 in order to source funding for the establishment of a Transfer station.

CS08	Effective Management of Landfill Sites	Implementation of the IWMP	Fencing of the Landfill Site in Twee Riviere	R 250 000	R 0	0%	Fence the landfill Site in Twee Riviere	Project not started due to financial Constraints	Lagging	Project has been placed in the IDP for 2017/18 in order to source funding for the fencing of landfill sites.
CS09			Fencing of the Landfill Site in Woodlands	R 250 000	R 0	0%	Fence the landfill Site in Woodlands	Project not started due to financial Constraints	Lagging	Project has been placed in the IDP for 2017/18 in order to source funding for the fencing of landfill sites.
CS10	Provision of Social Facilities	Establishment of a MPCC	Percentage of completion of the Ravinia MPCC	R 1 100 000	R 0.00	42.80%	100% Complete with the MPCC in Ravinia	Project completed in Quarter 3	On Target	
CS11	Upgrade of Sport Facilities	Upgrading of Sport Facilities	Complete a percentage of the resurfacing of the Krakeel Sports Facility	R 250 000	R 0	0%	100% Complete with the resurfacing of the Krakeel Sports Facility	Project not started due to financial Constraints	Lagging	Project has been placed in the IDP for 2017/18 for the sourcing of funding.

CS12			Complete a percentage of the upgrade of Clarkson Sports Facility	R 250 000	R 0	0%	100% Complete with the upgrade of Clarkson Sports Facility	Project not started due to financial Constraints	Lagging	Project has been placed in the IDP for 2017/18 for the sourcing of funding.
CS13	Improved Disaster Management Systems	Adoption of the Integrated Disaster Management Plan	Adoption of the Integrated Disaster Management Plan	N/A	N/A	N/A	Adoption of the Integrated Disaster Management Plan	Plan completed in Quarter 3.	On Target	
CS14	Effective Management of Law Enforcement	Implementation of the National Road Traffic Act	Submission of a number of fine collection Reports from Syntell	N/A	N/A	N/A	Submission of 4 fine collection Reports from Syntell	4 Quarterly reports received from Syntell	On Target	
CS15	Effective Coastal management	Implementation of Coastal Management Plan	Percentage of implementation of the working for the Coast Programme	R 3 800 000	R 0	0%	100% implementation of the working for coast programme	44 People employed to clean the Huisclip and Eerste Rivier Beaches	On Target	

KPA 3 -LOCAL ECONOMIC DEVELOPMENT

Number of projects = 10

Number of projects On Target/Completed = 2

Number of Projects in Progress = 3

Number of projects Lagging/Not started = 5

Percentage on Target = 20%

Percentage of projects In Progress = 30%

Percentage of projects lagging = 50%

Total Budget versus Expenditure:

<u>Budget</u>	<u>Expenditure</u>	<u>Expenditure %</u>
R87 500 000	R8 801 651, 52	10.05%

Local Economic Development have achieved a 20% on target/complete projects. The total budget for projects in Local Economic Development is R87 500 000 and the total expenditure thus far is R 8 801 651,52 Out of the 10 projects 3 are in progress and 5 have not started. The delay in projects lagging/ not started is due to the delay in the adoption of the Final LED Strategy.

The Draft LED strategy was presented to Council, the final strategy has however not been submitted by the Service Provider as they failed to conduct the final engagement and processing the Final LED Strategy for Council adoption.

Koukamma is in a process of sourcing funds for capacity building and for the development of an LED Strategy from the Dpt. COGTA.

	Objective	Strategy	KPI	2016/17 R's	Actual Expenditure	Percentage Expenditure	Annual Target (2016/17)	Actual & reason for variance	State if Project is Complete, On Target, Lagging or Not Started	State Brief Plan of Action to address Projects Lagging and Not Started
LED01	Adoption of the LED Strategy	LED Strategy	Adoption of a number of LED strategies	N/A	R 195 473.52	100%	1 LED strategy	CSTR failed to conduct the final engagement and processing the Final LED Strategy for Council adoption.	Lagging	Koukamma is in a process of sourcing funds for capacity building and development of an LED Strategy from Dpt. COGTA.
LED02	Implementation of the LED Strategy	Implementation of the business plan on honey bush tea	Packaging and distribution of a number of tons Honeybush Tea products	R2 998 000	R 1 268 599.00	42.31%	Packaging and distribution of 5 tons Honey Bush Tea Products	Misappropriation of project funds	In Progress	The DEDEAT has instructed its Legal Team to conduct an investigation and to recover the funds.
LED03		Implementation of the Agri-Park Plan	Implementation of the Agri-park Plant in the Langkloof	R 40 000 000	R 0.00	0%	100% Implementation of the Agri-park Plant	Delays in funding of the project	In Progress	Facilitate involvement and active participation of Koukamma in the District Agri-Park Management Council (DAMC)

LED04		Implementa tion of the pure herbal medicine plan	Number of pure herbal medicine plants planted	R 4 500 000	R 0.00	0%	Herbal Medicinal Plantation	Delays in funding of the project	Lagging	Pure Herbal Medicinal Plant (PTY) Ltd has embarked on a mission to source funding from DTI.
LED05		Implementa tion of the LED strategy to develop Huisclip into a tourism attraction	Complete the development of the Huisclip Nature Reserve	R 10 000 000	R 0.00	0%	100% complete with the Developme nt of the Huisclip Nature Reserve	Delays in funding of the project	Lagging	Koukamma is in a process of sourcing funding from the office of the Provincial MEC for Economic Development
LED06		Implementa tion of alternative renewable energy strategy (Biochar)	Percentage production of the BIOCHAR product	R 10 000 000	R 0.00	0%	100% produ ction of the BIOCHAR product	Delays in funding of the project	Lagging	Koukamma is in a process of sourcing funding from the office of the Provincial MEC for Economic Development
LED07		Developme nt of a Dairy Product Factory	Percentage of production of Dairy Products	R 3 000 000	R 2 790 000.00	93.75	100% Production of Dairy Products	Dairy Production in full operation.	Complete	

LED08		Develop a Timber Factory plant at Renselfier Manufacturing.	Percentage production of Timber Products	R 10 000 000	R 0.00	0%	100% Production of Timber Products	Delays in funding of the project	Lagging	Koukamma is in a process of sourcing funding from the office of the Provincial MEC for Economic Development
LED09	Creation of employment opportunities for the Unemployed	Implementation of the Expanded Public Works Business Plan	Percentage of EPWP plan implemented	R 1 000 000	R 1 000 000.00	100%	100% implementation of the EPWP plan	100% expenditure on the R 1 million allocated to EPWP for job creation	Complete	
LED10	Creation of job opportunities under the Community Work Programme (CWP)	Implementation of the CWP Council Resolution	Creation of a number of Job opportunities under CWP	R 9 000 000	R 3 547 579.00	39%	Creation of 750 Job opportunities under CWP	398 Participants are actively involved instead of the targeted 750 CWP participants	In Progress	Supervisors to be made involved in the recruitment processes within their respective areas to fasttrack the process.

KPA 4 - FINANCIAL VIABILITY AND MANAGEMENT AND SUSTAINABILITY

Number of projects = 12

Number of projects On Target/Completed = 10

Number of projects in progress = 2

Percentage on target = 50%

Percentage of projects in progress = 83.33%

Percentage of projects not applicable = 16.67%

Total Budget versus Expenditure:

<u>Budget</u>	<u>Expenditure</u>	<u>Expenditure %</u>
R440 000	R751 045, 65	170%

Finance have achieved a 83.33% on target/complete projects. The total budget for projects in Finance is R440 000 and the total expenditure thus far is R 751 045, 65. Out of the 12 projects 2 are in progress or could not be achieved.

	Objective	Strategy	KPI	2016/17 R's	Actual Expenditure	Percentage Expenditure	Annual Target (2016/17)	Actual & reason for variance	State if Project is Complete, On Target, Lagging or Not Started	State Brief Plan of Action to address Projects Lagging and Not Started
FV01	Compliance with the MFMA and mSCOA Regulations	Implementation of the MFMA and mSCOA Circulars	mSCOA Compliant Financial System and Annual Budget	R 440 000	R751 045,65	Over expenditure 170%	mSCOA Compliant Financial System and Annual Budget	The municipal council adopted and mscosa compliant budget for the 2017/18 financial year	On Target	
FV02	Annual Budget compiled inline with the MFMA	Compilation of the Annual Budget	Submission of Final Budget to Council and Treasury for 2017/18	N/A	N/A	N/A	Submission of Final Budget to Council and Treasury for 2017/18	Budget submitted as required	On Target	
FV03	Adjustment s Budget compiled inline with the MFMA	Compilation of Adjustments Budget	Submission of Adjustments Budget to Council and Treasury	N/A	N/A	N/A	Submission of Adjustments Budget to Council and Treasury	Budget submitted as required	On Target	
FV04	Improve ment of the revenue collection rate for the 2016/17 Financial year	Comply with the MFMA and Municipal Property Rates Act	Ensure Increase in Revenue collection by a certain percentage	N/A	N/A	N/A	Increase Service Revenue collection by 40% for 2016/17	Achieved. Collection for this period R15 519 499 including FBS. Should be R14 732 924	On Target	

[illegible]

FV06				N/A	N/A	N/A		Increase Traffic Fines Revenue collection 60% for 2016/17	Not achieved. Collection for this period R1 152 984 Should be R2 372 092	In Progress	The contract of the traffic service provider ended 30 June. Challenges were experienced with the performance of this service provider. The municipality is in the process of appointing a new service provider
FV07		GRAP compliant Submissions in accordance with the MFMA	Accurate Reporting in Compliance with Legislation	Submit a number of GRAP compliant AFS	N/A	N/A	N/A	Grap Compliant AFS	2015/16 AFS submitted in the required format and by the required deadline	On Target	
FV08				Populate the Schedule B returns and submit to treasury	N/A	N/A	N/A	Schedule B returns and submit to treasury	Schedule B returns submitted, verification is complete by PT	On Target	

FV09				Submit a number of reports to Treasury	N/A	N/A	N/A	Submission of 4 Section 52 Reports	4 s52(d) reports submitted and loaded on municipal website	On Target	
FV10				Submit a number of reports to Treasury	N/A	N/A	N/A	Submission of 12 Section 71 Reports	11 s71 reports completed and submitted to NT, PT and standing committee	On Target	
FV11				Submit a number of reports to Treasury	N/A	N/A	N/A	Submission of 1 section 72 Report	s72 reports completed within the legislative timeframe	On Target	
FV12	Compliance to AG Findings 2015/16 FY	Implementation of the AG Findings in Audit Action Plan	Implementation of the AG Findings in Audit Action Plan	Implementation of the AG Findings in Audit Action Plan	N/A	N/A	N/A	100% implementation of the AG Findings in Audit Action Plan	Actions were implemented as per audit action plan	On Target	

KPA 5 - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Number of projects = 9

Number of projects On Target/Completed = 5

Number of Projects in Progress = 3

Number of projects Lagging/Not started = 1

Percentage of projects on target = 55.56%

Percentage of projects in progress = 33.33%

Percentage of projects lagging = 11.11%

Internal Budget

Good Governance has achieved 55.56% on target projects

Objective	Strategy	KPI	2016/17 R's	Actual Expenditure	Percentage Expenditure	Annual Target (2016/17)	Actual & reason for variance	State if Project is Complete, On Target, Lagging or Not Started	State Brief Plan of Action to address Projects Lagging and Not Started
GGPP01	IDP Review for the 2017/18 financial year	Reviewed IDP 2017/18	Internal	N/A		Adoption of the reviewed IDP for the 2017/18 FY	Final IDP approved 30 May 2017	On Target	
GGPP02	Establishment of 6 Ward Committees in Koukamma 2016/17	Number of Ward Committees established	Internal	N/A		6 Ward Committees established	6 Ward committees established	On Target	
GGPP03	Monitoring and application of Performance Management Systems	Consolidate a number of Performance Reports	Internal	N/A		Coordinate 4 Performance Reviews	Due to non payment of PMS Support services PMSLogic was locked for use. PMS system was only reinstated in Quarter 4.	Not Started	Annual performance review to be concluded by end Sep 2017

GGPP04				Internal	N/A		Consolidate 4 SDBIP quarterly reports	Annual performance 2015/16 approved by council and submitted to Cogta and Treasury. Quarter 1-3 have been concluded and submitted to Audit, MPAC	On Target	
GGPP05	Generate publicity and awareness through communication platforms for 2016/17 financial year.	Implementation of the Communication Policy	Develop a number of newsletters	Internal	N/A		Develop 3 newsletters for 2016/17 FY	Newsletter is still in draft form and could not be sent out for design, translations & printing due to lack of funding	In progress	To be produces in the July-September quarter
GGPP06	Effective functioning of MPAC in the 2016/17 Financial Year	Improved oversight role of MPAC	Conduct a number of MPAC meetings	Internal	N/A		4 MPAC meetings	MPAC meetings conducted on 27/09/16, 15/12/16 and 14/03/17.	In progress	Adhere to the meeting schedule for the 2017/18 FY, where MPAC meetings are scheduled Quarterly

OVERALL

Total number of projects = 81

Number of projects On Target/Completed = 36

Number of projects Lagging/Not Started = 24

Number of projects in progress = 21

Percentage on Target = 44.44%

Total Budget versus Expenditure:

<u>Budget</u>	<u>Expenditure</u>	<u>Expenditure %</u>
R188 828 337, 56	R27 160 549, 76	14.38%

6. MIG EXPENDITURE REPORT 2016/17

[illegible]

7. CONCLUSION


The performance of the departments depends largely on funds available and the progress and performance of the contractors appointed.

It is also important to note that not all the projects listed in the SDBIP are internally facilitated. External departments also contribute to the service delivery within Koukamma area, and as a result the processes are coordinated externally, hence should a project be delayed, it has a direct impact on the service delivery department applicable.

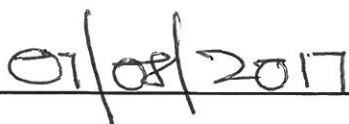
Projects that could not be funded in this financial year have been carried over to the next financial year upon funding approval.

Should funds for projects lagging due to funding constraints not be carried over, they will appear in the proposed projects section of the Integrated Development Plan for the purpose of sourcing funds for these projects.

It is herewith confirmed that the report is a true reflection of the Municipality's Performance for the Financial Year 2016/2017.



P. M KATE
MUNICIPAL MANAGER



DATE

ANNEXURE 1

1. CONSIDERATION OF KEY PERFORMANCE INDICATORS IN THE DEVELOPMENT OF THE ANNUAL REPORT

The following information reports specifically on the indicators that were agreed upon in Circular No. 1 of 2014:

1.1 ORGANISATIONAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (KPA 1)

Annual performance as per key performance indicators in municipal transformation and organizational development

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	22	6	27.27%	Only essential posts filled
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	0	0	0	0
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	0	0	0%	There was budget for section 57 Managers (They were not budgeted for) however, 1 Manager who couldn't complete her

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
					MFMP in 2015/16, managed to complete it in 2016/17
4	Percentage of Managers in Technical Services with a professional qualification	2	2	100%	The 1 Technical Manager who is registered with a professional body, have resigned towards the end of the financial year
5	Level of PMS effectiveness in the DM – (DM to report)	Effective PMS System operating in the LM. Quarterly reporting and assessments conducted. Electronic PMS system utilised.			
6	Level of effectiveness of PMS in the LM – (LM to report)				
7	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	145	74	51%	Budget limitations
8	Percentage of councillors who attended a skill	11	7		Only 7 Councillors wanted to

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
	development training within the current 5 year term				undergo training
9	Percentage of staff complement with disability	2	1	0%	No employee have declared disability this financial year
10	Percentage of female employees	70	52	72%	
11	Percentage of employees that are aged 35 or younger	75	62	82%	
12	Adoption and implementation of a District Wide/ Local Performance Management System	N/A	N/A	N/A	Local Performance Management System in place but was not reviewed. Plan has been reviewed for 2016/17 pending approval

1.2 BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS (KPA 2)

1.2.1 Annual performance as per key performance indicators in water services

	Indicator name	Total number of household/ customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to potable water	11000	60	No target set	none	
2	Percentage of indigent households with access to free basic potable water	2376	0	No Target	2064	86.86%
3	Percentage of clinics with access to potable water	6	0	6	6	100%
4	Percentage of schools with access to potable water	10	0	10	10	100%
5	Percentage of households in formal settlements using buckets	570	570	No target set	None	

1.2.2 Annual performance as per key performance indicators in Electricity services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlog s (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to electricity services	401	335	66	66	100%
2	Percentage of indigent households with access to basic electricity services	2376	0	No Target	2345	98%
3	Percentage of indigent households with access to free alternative energy sources	None				

1.2.3 Annual performance as per key performance indicators in sanitation services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to sanitation services	1309	1309	No target set	None	0%
2	Percentage of indigent households with access to free basic sanitation services	2376	0	No Target	2064	86.86%
3	Percentage of clinics with access to sanitation services	6	0	6	6	100%
4	Percentage of schools with access to sanitation services	6	0	6	6	100%

1.2.4 Annual performance as per key performance indicators in road maintenance services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (Actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households without access to gravel or graded roads	11000	0	No target		

2	Percentage of road infrastructure requiring upgrade	11000	Households per area	2km	2km	100%
3	Percentage of planned new road infrastructure actually constructed	11000	0	No target set		
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used.	None				

1.2.5 Annual performance as per key performance indicators in waste management services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to refuse removal services	11261	926	926	926	100
2	Existence of waste management plan	The Integrated Waste Management Plan has been reviewed and submitted to council. Approved plan workshopped to stakeholders during IDP outreach				

1.2.6 Annual performance as per key performance indicators in housing and town planning services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households living in informal settlements	300	300	No target set	0	0%
2	Percentage of informal settlements that have been provided with basic services	300	300	No target set	0	0%
3	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	11261	300	Not target set	0	0%
4	Existence of an effective indigent policy	Indigent Policy exists. The policy is reviewed annually and approved with the annual Budget.				
5	Existence of an approved SDF	Yes				

1.3 MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK (KPA 3)

Annual performance as per key performance indicators in LED

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	LED exists		100%
2	Percentage of LED Budget spent on LED related activities.	100%	100%	100%
3	Existence of LED strategy	Strategy in draft form		
4	Number of LED stakeholder forum meetings held	0	4	
5	Plans to stimulate second economy	No target set	—	—
6	Percentage of SMME that have benefited from a SMME support program	No target	—	—
7	Number of job opportunities created through EPWP	52	52	100%

1.4 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (KPA 4)

Annual performance as per key performance indicators in financial viability

	Indicator name	Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
1	Percentage expenditure of capital budget	R23 157	R19 304	83%
		Target set for the year (35%) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
2	Salary budget as a percentage of the total operational budget	R46 448 / 33%	R43 356	43%
		Target set for the year (20% or less) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the actual revenue
3	Trade creditors as a percentage of total actual revenue	Will be able to provide after Creditors recon is finalised		
		Target set for the year (80% and more) R(000)	Achievement level during the year R(000)	Achievement percentage during the year
4	Total municipal own revenue as a percentage of the total actual budget	R43 859	R42 639	97%
		Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
5	Rate of municipal consumer debt reduction	R30 400 940	R26 110 071	85%
6	Percentage of MIG budget appropriately spent	100%	100%	100%
7	Percentage of MSIG budget appropriately spent	The municipality did not receive MSIG for 2016/17		
8	AG Audit opinion	Unqualified		Not Yet Concluded

9	Functionality of the Audit Committee	Yes	4	The Audit Committee meet Quarterly
10	Submission of AFS after the end of financial year		31 Aug 2017	Target for 31 Aug 2017 will be met

1.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION (KPA 5)

Annual performance as per key performance indicators in Good Governance and Public Participation

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	% of ward committees established	6	6	100%
2	% of ward committees that are functional	6	6	100%
3	Existence of an effective system to monitor CDWs	Yes, CDW's report to the Municipality with a standard reporting template on a regular basis. They form part of ward committee meetings quarterly.		
4	Existence of an IGR strategy	No		
5	Effective of IGR structural meetings	Yes, 1 meeting conducted annually.		
6	Existence of an effective communication strategy	Yes, reviewed annually.		
7	Number of mayoral imbizos conducted	4	0	0%
8	Existence of a fraud prevention mechanism	Fraud prevention policy exists, but has not been reviewed.		